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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

December 13, 2002

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

RECORDATION NO. 23416-P FILED

DEC 13 '02

10-38 AM

Dear Mr. Williams:

SURFACE TRANSPORTATION BOARD

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of a Memorandum of Chattel Mortgage and Security Agreement Modification Agreement, dated as of December 12, 2002, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Chattel Mortgage and Security Agreement which was previously filed with the Board under Recordation Number 23416.

The names and addresses of the parties to the enclosed document are:

Secured Party:	Allfirst Bank 25 South Charles Street Baltimore, Maryland 21202
Debtor:	Midwest Railcar Corporation 3 Professional Park Drive Maryville, Illinois 62062

Mr. Vernon A. Williams
December 13, 2002
Page 2

A description of the railroad equipment covered by the enclosed document is:

Fifteen (15) woodchip gondola railcars within the series DCFX 600028 - DCFX 600078 not inclusive as set forth in Exhibit A of the document.

A short summary of the document to appear in the index is:

Memorandum of Chattel Mortgage and Security Agreement Modification Agreement.

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,



Robert W. Alvord

RWA/anm
Enclosures

RECORDED

23416-1 FILED

DEC 13 '02

10-38 AM

~~SURFACE TRANSPORTATION BOARD~~

**MEMORANDUM OF
CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

dated as of December 12, 2002

by and between

**MIDWEST RAILCAR CORPORATION,
as Debtor**

and

**ALLFIRST BANK,
as Secured Party**

**MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT
MODIFICATION AGREEMENT**

THIS MEMORANDUM OF CHATTEL MORTGAGE AND SECURITY AGREEMENT MODIFICATION AGREEMENT (this "Agreement") is made as of this 12th day of December, 2002, by and between ALLFIRST BANK (the "Secured Party") and MIDWEST RAILCAR CORPORATION, an Illinois corporation (the "Debtor"), witnesseth:

RECITALS

A. The Debtor and the Secured Party are parties to that certain Loan Agreement dated as of March 20, 2001, as amended by the Loan Agreement and Chattel Mortgage and Security Agreement Modification Agreement dated as of April 12, 2002 (collectively, the "Loan Agreement"), pursuant to which the Secured Party agreed to extend to the Debtor a line of credit described in the Loan Agreement.

B. To secure the Debtor's Obligations (as defined in the Loan Agreement) to the Secured Party, the Debtor executed and delivered to the Secured Party a Chattel Mortgage and Security Agreement dated as of March 20, 2001 (as amended from time to time, the "Security Agreement"), pursuant to which the Debtor granted to the Secured Party a continuing, first priority security interest in and to, and lien on, certain railcars.

C. A Memorandum of Chattel Mortgage and Security Agreement (the "Memorandum of Security Agreement") was filed and recorded with the Surface Transportation Board pursuant to 49 U.S.C. 11301(a) on March 21, 2001 at 11:42 A.M., under Recordation No. 23416.

D. The Debtor subsequently purchased fifteen (15) woodchip gondolas (collectively, the "Railcars") described on Exhibit A attached hereto.

E. The Secured Party and the Debtor executed a Chattel Mortgage and Security Agreement Modification Agreement dated as of the date hereof pursuant to which the parties amended Schedule 1 to the Security Agreement by adding the cars marks and numbers of the Railcars to the collateral listed therein.

F. The Secured Party and the Debtor desire to amend certain provisions of the Memorandum of Security Agreement.

TERMS

NOW, THEREFORE, in consideration of the premises and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Secured Party and the Debtor hereby agree as follows:

1. The facts set forth above are true and accurate in each respect.

2. The Memorandum of Security Agreement is hereby amended as follows: Exhibit A attached to the Memorandum of Security Agreement is amended by adding the car marks and numbers of the Railcars.

3. The term "this Memorandum" as used in the Memorandum of Security Agreement shall mean the Memorandum of Security Agreement as modified herein unless the context clearly indicates or dictates a contrary meaning.

4. This Agreement may not be amended, changed, modified, altered, or terminated without in each instance the prior written consent of the Secured Party. This Agreement shall be construed in accordance with and governed by the laws of the State of Maryland.

5. This Agreement may be executed in any number of counterparts, all of which when taken together shall constitute one agreement

[SIGNATURES APPEAR OF NEXT PAGE]

IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

WITNESS:

Henry Gryc

ALLFIRST BANK

By: Richard M. Folio (SEAL)
Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION

By: _____ (SEAL)
Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this 9th day of December, 2002 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

(SEAL)
HENRYKA W. GRYC CRAIG
NOTARY PUBLIC STATE OF MARYLAND
County of Baltimore
My Commission Expires September 20, 2005

Henry Gryc
Notary Public

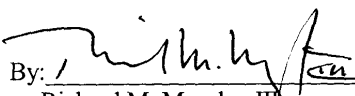
My Commission Expires:

IN WITNESS WHEREOF, the Secured Party and the Debtor have caused this Agreement to be executed under seal as of the date first above written.

WITNESS: ALLFIRST BANK

By: _____ (SEAL)
Richard M. Folio
Vice President

MIDWEST RAILCAR CORPORATION

By:  (SEAL)
Richard M. Murphy, III
President

STATE OF Maryland, CITY OF Baltimore, TO WIT:

On this ____ day of December, 2002 before me personally appeared Richard M. Folio, to me personally known, who being by me duly sworn, says that he is the Vice President of ALLFIRST BANK, that seal affixed to the foregoing instrument is the seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

Notary Public

(SEAL)

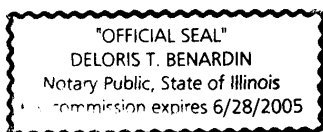
My Commission Expires:

STATE OF Illinois, CITY/COUNTY OF Madison, TO WIT:

On this 9 day of December, 2002, before me personally appeared Richard M. Murphy, III, to me personally known, who being by me duly sworn, says that he is the President of MIDWEST RAILCAR CORPORATION, an Illinois corporation, that seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation, by authority of its Board of Directors, and that he acknowledged that the execution of the foregoing instruments was the free act and deed of said corporation.

IN WITNESS WHEREOF I have set my hand and seal.

(SEAL)



Deloris T. Benardin
Notary Public

My Commission Expires: 6/28/05

EXHIBIT A

DESCRIPTION OF RAILCARS

Fifteen (15) 6,600 c.f. woodchip gondolas built in 1976 bearing the following car marks and numbers:

DCFX 600028
DCFX 600029
DCFX 600032
DCFX 600044
DCFX 600051
DCFX 600053
DCFX 600056
DCFX 600057
DCFX 600058
DCFX 600068
DCFX 600069
DCFX 600071
DCFX 600072
DCFX 600077
DCFX 600078